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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92056509
Party	Plaintiff Autodesk, Inc.
Correspondence Address	JOHN L SLAFSKY WILSON SONSINI GOODRICH ROSATI 650 PAGE MILL RD PALO ALTO, CA 94304 1050 UNITED STATES jslafsky@wsgr.com, trademarks@wsgr.com
Submission	Opposition/Response to Motion
Filer's Name	JOHN L SLAFSKY
Filer's e-mail	jslafsky@wsgr.com, trademarks@wsgr.com, sbrannen@wsgr.com
Signature	/JOHN L SLAFSKY/
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

AUTODESK, INC.,)) Cancellation No. 92056509)
Petitioner,	
v.)
3D SYSTEMS, INC.,)
Respondent.)
)

PETITIONER'S OPPOSITION TO RESPONDENT'S MOTION FOR RECONSIDERATION

Petitioner Autodesk, Inc. ("Petitioner" or "Autodesk"), by and through its undersigned counsel, hereby responds to and opposes the November 29, 2014 Motion for Partial Reconsideration filed by Respondent 3D Systems, Inc. ("Respondent" or "3D Systems"). The motion seeks to have the Board withdraw most of its October 30, 2014 Order (the "Discovery Order") granting Petitioner's August 7, 2014 Motion to Compel (the "Motion to Compel").

INTRODUCTION

Despite the Board's assurance in the Discovery Order that it "carefully considered the arguments raised by the parties in their respective motion papers, as well as the supporting correspondence and the record of this case, in coming to a determination regarding Petitioner's motion," Respondent has filed this motion, accusing the Board of "depart[ing] from established practice and precedent in many respects without a reasoned explanation" and providing "little to no legal support or explanations for [its] conclusions." In fact, Respondent's motion is nothing more than a reargument of points fully briefed, considered, and decided in connection with the original motion. As the Board has made clear, it "carefully considered" not only both parties'

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arguments, but also the evidence in the record. Furthermore, the Board properly applied the legal authority to the facts at issue here.

Respondent's motion illustrates the very type of behavior proscribed by TBMP § 518 (emphasis added): "[A] motion [for reconsideration] may not properly be used to introduce additional evidence, nor should it be devoted simply to a reargument of the points presented in a brief on the original motion." Respondent's motion would appear to be nothing but a delay tactic designed to (i) frustrate the purposes of the Discovery Order, (ii) block Petitioner from relevant documents and information needed for the follow-up discovery, namely depositions, specifically contemplated by the Board for December 2014, and (iii) once again delay the onset of the parties' trial testimony periods (which the Board has previously rescheduled on multiple occasions).¹

The Board has already advised Respondent that: "In the event Respondent fails to provide Petitioner with full and complete responses to the outstanding discovery, as required by this order, Respondent will be barred from relying upon or later producing documents or facts at trial withheld from such discovery." Discovery Order 6 (Docket No. 29). Respondent has failed to provide full and complete responses, as required, and, through this motion, is merely seeking to avoid the Board-determined consequences of that decision.

I. BACKGROUND

On November 29, 2012, over two years ago, Petitioner filed a Petition for Cancellation, seeking to cancel registration of Respondent's 3DS (and design) mark, Registration No. 4125612; the registration at issue is for the mark 3DS with a design component. Petitioner has

¹ Petitioner notes that in light of Respondent's failure to comply with its Board-ordered discovery obligations, including making its witnesses available for properly noticed depositions, Petitioner filed a Motion to Compel on December 12, 2014 (Docket No. 31). That Motion to Compel is pending.

sought cancellation on the basis that continued registration of Respondent's mark is likely to cause confusion with Petitioner's existing 3DS MAX mark, Registration No. 2733869. Pet. for Cancellation (Docket No. 1).²

By way of background, on August 7, 2014, Petitioner filed its Motion to Compel. On October 30, 2014, via the Discovery Order, the Board granted Petitioner's Motion to Compel and ordered Respondent to produce various categories of relevant documents and information to Petitioner. Significantly, the Discovery Order provided that Petitioner would have the opportunity to conduct follow-up discovery after the prompt production of this material, with a discovery cut-off of December 30, 2014. However, rather than complying with the Discovery Order, Respondent instead continued to withhold documents and information and filed this motion, which has had the effect of denying Petitioner key documents and information called for by the Board in advance of the December 2014 period. As a result, Petitioner has not been able to proceed with follow-up discovery, namely depositions, or proceed to a prompt trial.

ARGUMENT

II. THE MOTION SHOULD BE DENIED

As clearly set forth in the TBMP, a motion for reconsideration should be granted only where the movant has successfully shown that the Board failed to properly apply the applicable law to the facts:

Generally, the premise underlying a motion for reconsideration, modification or clarification under 37 CFR § 2.127(b) is that, based on the facts before it and the prevailing authorities, the Board erred in reaching the order or decision it issued. Such a motion may not properly be used to introduce additional evidence, nor should it be devoted simply to a reargument of the points presented in a brief on the original motion. Rather, the motion should be limited to a demonstration that

² For detailed background concerning this cancellation proceeding, Petitioner refers the Board to sections I, II, and III of Petitioner's Motion to Compel (Pet'r's Mot. to Compel 1-4 (Docket No. 25) [hereinafter Mot. to Compel]), which it hereby incorporates by reference.

based on the facts before it and the applicable law, the Board's ruling is in error and requires appropriate change.

TBMP § 518; e.g., Reynolds Consumer Prods., Inc. v. PRS Mediterranean Ltd., Opp. No. 91189669, 2014 TTAB LEXIS 73, at *2-3 (TTAB Feb. 14, 2014) (denying request for reconsideration and noting that much of motion was "nothing more than re-argument"). Respondent has not made the required showing. The Discovery Order is well founded and proper; furthermore, the Board is not under any requirement to cite to authority or provide lengthy explanations in its order where there is legal support or a basis for its decision, as is plainly the case here.

Respondent warns the Board that the Federal Circuit will vacate the Board's decision "as arbitrary and capricious" if the Board "departs from established precedent without a reasoned explanation." Resp't's Mot. for Partial Reconsideration 6 (Docket No. 30). To buttress this warning, Respondent cites to a case wholly inapplicable to this one: in *Fred Beverages, Inc. v. Fred's Capital Management, Co.*, the Federal Circuit reversed a Board decision denying leave to amend a cancellation petition for failure to file the \$300 cancellation fee; the Federal Circuit reversed because the Board had not previously adopted a rule requiring the payment of such fee as a condition to amending a petition. 605 F.3d 963, 966-67 (Fed. Cir. 2010). In that case, there simply was no authority to support the Board's decision, but here, in contrast, nothing suggests that the Board in fact departed from precedent, much less without reasoned explanation.

Petitioner provided appropriate legal support in its motions, and the Board, after "carefully consider[ing] the arguments raised by the parties," ruled consistent with that legal authority.

Discovery Order 1 (Docket No. 29). Respondent is not entitled to have the Board's decision withdrawn simply because it would have preferred the Board to be persuaded by its arguments.

III. THE BOARD DID NOT ERR IN RECOGNIZING THAT PETITIONER MADE A GOOD-FAITH EFFORT TO RESOLVE THE PARTIES' DISCOVERY DISPUTE

Petitioner's good-faith efforts to resolve the underlying discovery dispute are fully detailed in Petitioner's Motion to Compel and its Reply in Support of Motion to Compel ("Reply").³ It has been clearly established—and Respondent does not argue otherwise—that: (1) Petitioner served discovery requests on Respondent; (2) Respondent provided written responses and objections to those requests; (3) Petitioner wrote Respondent a detailed letter dated March 28, 2014 identifying specific areas of disagreement and deficiencies as to Respondent's discovery responses; (4) on May 2 and 5 2014, the parties met-and-conferred—via three lengthy phone conferences—regarding each of these issues, which resulted in a specific list of issues on which, based on the parties' final positions, there was clear and continuing disagreement; (5) Petitioner sent Respondent another extremely detailed letter regarding these issues on June 18, 2014; (6) Respondent gave no indication that it disagreed with Petitioner's summary of the meet-and-confer discussions, including the parties' respective positions on unresolvable issues, and indeed provided no further communication, written or otherwise, regarding Respondent's discovery deficiencies; 4 and (7) Respondent did not, and has not, changed its position on any of the unresolvable issues, including those that formed the basis of the Motion to Compel.⁵ Mot. to Compel 3-4 (Docket No. 25)); Decl. of Stephanie S. Brannen in

³ Petitioner specifically directs the Board's attention to sections II and III of the Motion to Compel (Mot. to Compel 3-4 (Docket No. 25)) and section I of Petitioner's Reply (Pet'r's Reply in Support of Mot. to Compel 3-4 (Docket No. 28) [hereinafter Reply]), and hereby incorporates those sections by reference.

⁴ Respondent's modest document production on June 11, 2014 in no way served to indicate or provide any notice that Respondent had changed its stated positions on the discovery issues; indeed, such production only further illustrated that Respondent had every intention of maintaining those positions.

⁵ Respondent's continued re-litigating of these issues only further serves to emphasize just how intractable its positions were and continue to be.

Supp. of Mot. to Compel, Exs. 8-9 (Docket No. 25); Reply 3-4 (Docket No. 28). Petitioner was under no obligation to continue futile meet-and-confer efforts.

Respondent claims that the Board erred in not following the *Hot Tamale Mama* . . . *and More, LLC v. SF Investments, Inc.*, 110 USPQ2d 1080 (TTAB 2014), decision, which Respondent cited in opposition to the original motion, and which Petitioner previously addressed. Reply 3-4 (Docket No. 28). That case is inapplicable here because unlike in *Hot Tamale*, the parties had several communications, including extensive meet-and-confer discussions, regarding the specific issues at hand and clearly established specific issues where there was intractable disagreement. *Id.* For these same reasons, the only other case cited by Respondent, *Giant Food, Inc. v. Standard Terry Mills, Inc.*, 231 USPQ 626, 632 (TTAB Oct. 3 1986), is inapposite; as Respondent acknowledges, that case involved only a single ambiguous communication.⁶

IV. THE BOARD DID NOT ERR IN ORDERING RESPONDENT TO PRODUCE DOCUMENTS AND INFORMATION REGARDING ITS 3DS-RELATED MARKS

As the Board held after review of the parties' arguments, discovery regarding Respondent's various 3DS-related trademarks is relevant and appropriate.⁷

To recap the extensive, repeated briefing on this subject, Petitioner argued that discovery with respect to Respondent's 3DS-related marks is appropriate for two main reasons: (1) such

⁶ Respondent's reference to its August 5, 2014 letter is misleading. *That letter contained no mention of Respondent's discovery responses*. To the extent Respondent now attempts to characterize this letter as "requesting a conference to discuss any outstanding discovery deficiencies" or the "parties' respective discovery obligations," Respondent is misrepresenting the content and nature of the letter.

⁷ Petitioner hereby incorporates by reference section IV of its Motion to Compel (Mot. to Compel 5-9 (Docket No. 25)) and section II of its Reply (Reply 4-6 (Docket No. 28)), wherein it cited unequivocal language from the TBMP and precedent of the Board establishing that discovery of marks beyond the specific design mark in the challenged registration can very well be, and should be here, the appropriate subject of discovery.

marks are relevant to assessment of the likelihood of confusion, as explained in TBMP § 414(11); and (2) Respondent has pleaded several affirmative defenses that may rely on Respondent's use of "3DS" generally. Accordingly, discovery is appropriate under Federal Rule of Civil Procedure 26(b)(1) ("Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense"). As the Board concluded:

Essentially, Respondent objects to Petitioner's definition on the ground that it is not required to respond to any discovery that does not concern its subject mark, as identified in its subject registration. Respondent is mistaken. Respondent's use of the mark 3DS in other forms and on other goods and/or services not specifically identified in its subject registration is relevant to Petitioner's claim of likelihood of confusion, as well as Respondent's asserted defenses.

Discovery Order 2 n.1 (Docket No. 29).8

With respect to the affirmative defenses, in particular, Respondent did not and does not dispute that it is refusing to limit its defense to the registered 3DS & Design mark. As explained in Petitioner's Motion to Compel:

... Respondent has explicitly refused to limit its own defense of this matter to the design mark that is the subject of the Registration. Brannen Decl., Ex. 9 at 4. Specifically, this means that while on the one hand Respondent refuses to provide any information or documents pertaining to its other 3DS marks, on the other hand it reserves its rights to raise such other marks in connection with its defenses, such as waiver, estoppel, unclean hands and/or acquiescence. Brannen Decl., Ex. 12. Respondent, for example, reserves its right to argue that "3DS" is an abbreviation of its business name that it has used for years, allegedly without confusion. *See* Brannen Decl., Ex. 9.9 This alone renders such marks relevant to discovery of Respondent's affirmative defenses.

⁸ In its Discovery Order, the Board overruled Respondent's Objection Nos. 8 and 9 asserted in its responses to Petitioner's First Set of Interrogatories and First Set of Requests for Production. Respondent had asserted these improper objections—which were a refusal to produce any documents or information other than with respect to the design mark that is the subject of the challenged registration—with respect to nearly every discovery request propounded by Petitioner.

⁹ Respondent appears to take issue with Petitioner's citation here. The citation to the June 18 letter here is completely appropriate, as it reads: "You have agreed to limit your priority claims to the 3DS & Design mark that is the subject of U.S. Reg. No. 4,125,612, but have otherwise not

Mot. to Compel 8-9 (Docket No. 25).

As to the *Volkswagenwerk* decision, on which Respondent continues to rely, Petitioner notes that that decision is not controlling precedent or Board doctrine.¹⁰ The Board's decision is amply grounded in explicit language in the TBMP and other authority.

V. THE BOARD DID NOT ERR IN ORDERING RESPONDENT TO PRODUCE MARKETING PLANS AND PROJECTIONS

Respondent takes issue with the Board's order that Respondent must provide responsive documents and information regarding marketing plans and projections. This issue has been fully briefed in the original motion and reply. Respondent's argument is simply a reassertion of its objections and a reargument that it feels the Board erred in overruling its Objection No. 9.

Respondent also voices its objection that it is uncomfortable with sharing sensitive information.

This is not a valid basis for a motion for reconsideration. 12

agreed to limit your case to only this 3DS mark." Brannen Decl., Ex. 9 at 4. By refusing to limit its case to only the 3DS & Design mark, Respondent could, for example, argue that "3DS" is an abbreviation it has used for years.

¹⁰ Furthermore, as Petitioner fully explained previously, in that case, the Board actually determined that respondent Thermo-Chem (whose mark BUG COOLER was being challenged) did not have to answer an interrogatory that asked Thermo-Chem to name marks *other than BUG or BUG COOLER* that it had used with the sale of its products and services. Implicit in this decision is the idea that BUG, a mark different from the challenged mark, was relevant to the dispute. The *Volkswagenwerk* decision simply does not stand for what Respondent claims, and does not act as a talisman preventing the Board from ruling consistent with the TBMP. For previous specific discussion of this case, see Petitioner's Reply 5 (Docket 28).

¹¹ Petitioner hereby incorporates by reference section VI.1 of the Motion to Compel (Mot. to Compel 10 (Docket No. 25)) and section IV of the Reply (Reply 7-10 (Docket No. 28)), which contain appropriate citations to both TBMP authority (including TBMP § 414(8)) and Board precedent.

¹² As Petitioner has previously stated several times, there is a Protective Order in place. Respondent merely needs to designate highly sensitive documents as such, and they will be kept to attorneys' eyes only. Moreover, Petitioner has further offered to modify the standard protective order to add additional protections for both parties, going so far as to provide Respondent's counsel with a draft modified protective order on November 7, 2014 and again

Respondent again cites the 41-year-old *Volkswagenwerk* decision as the "precedent" from which the Board allegedly deviated. As explained above, this decision is not controlling authority which the Board is obligated to follow, particularly because there are relevant TBMP provisions (and other Board decisions) that direct the Board otherwise (which the Board cited in its decision). Furthermore, the TBMP makes clear that:

In Board proceedings, access to a party's confidential, highly confidential or trade secret/commercially sensitive information is not provided as a matter of course, but rather must only be provided in response to a proper and relevant discovery request or when the party chooses to use such information in support of its case at trial. . . . Parties cannot withhold properly discoverable information on the basis of confidentiality since the terms of the Board's standard protective order automatically apply. In instances where a party has refused to provide discoverable information on such grounds, the Board, where appropriate, may order the party to provide such information consistent with the terms of the protective order.

TBMP § 412.01 (emphasis added).

There is simply no requirement that every case or issue before the Board must be decided the same way; the Board had ample authority to decide as it did, and Respondent has provided no grounds or authority to suggest that there is even a shadow of a justification for a motion for reconsideration.¹³

following up with Respondent's counsel on November 20, 2014, after having received no response. Respondent's counsel has still not responded to these overtures.

¹³ Respondent also argues that because it is a publicly traded company, it should be excused from its discovery obligations. It vaguely refers to hypothetical securities laws, but does not cite any specific law or regulation or even definitively state that any laws or regulations exist that actually would prohibit it from meeting its discovery obligations. Petitioner notes that it is also a publicly traded corporation, and has not sought to escape its discovery obligations merely because it is large and publicly traded. Being a public company is no excuse to avoid discovery obligations, and Respondent cites no authority to support this novel notion.

VI. THE BOARD DID NOT ERR IN ORDERING RESPONDENT TO PRODUCE DOCUMENTS AND INFORMATION PERTAINING TO THE QUALITY OF RESPONDENT'S GOODS AND SERVICES

As with marketing plans and projections, Petitioner appears to merely be reasserting the same objections that were overruled by the Board, claiming these types of documents and information are not relevant, are commercially sensitive, and would be burdensome to produce. ¹⁴ Again, reassertion of the same objections does not provide adequate grounds for a motion for reconsideration.

Nowhere has Respondent provided *any* authority for its contention that quality is not relevant to the likelihood of confusion analysis. Respondent therefore has no basis for moving to reconsider this issue.¹⁵

VII. THE BOARD DID NOT ERR IN ORDERING RESPONDENT TO SUPPLEMENT CERTAIN DISCOVERY RESPONSES AS RESPONDENT PREVIOUSLY AGREED TO DO

And finally, Respondent contends that the Board should not have credited the evidence regarding Respondent's agreement to supplement certain of its discovery responses. ¹⁶
Essentially, the entirety of Respondent's argument is that it disagrees with the only evidence available—an extremely detailed June 18, 2014 letter by Petitioner's counsel summarizing the results of the parties' repeated meet-and-confer efforts—to indicate what was agreed upon. This letter is an accurate reflection of what occurred, what was discussed, and what was decided; if Respondent disagreed in any way, it merely had to respond with clarification. It provided no

¹⁴ Petitioner hereby incorporates by reference section VI.3 of the Motion to Compel (Mot. to Compel 11 (Docket No. 25)) and section IV of the Reply (Reply 7-10 (Docket No. 28)).

¹⁵ Confusingly, Respondent detours into a discussion regarding dilution by tarnishment. Dilution by tarnishment is not an issue in this proceeding.

¹⁶ Petitioner hereby incorporates by reference section VII of its Motion to Compel (Mot. to Compel 12 (Docket No. 25)).

response whatsoever to Petitioner's description of the discussion regarding Respondent's discovery deficiencies. Accordingly, it cannot now complain that the Board has found facts consistent with that evidence.

With respect to Interrogatory No. 3, as the record indicates, Respondent's response was not in fact complete (Brannen Decl., Ex. 8 at 8), and it "agreed to supplement the requested information for each category of product or service" (Brannen Decl., Ex. 9 at 3). Respondent's argument is not so much that the Board erred in ordering Respondent to supplement, but that Respondent *could have* resolved the issue eventually. That is not a basis for withdrawal of the Board's order. With respect to Interrogatory Nos. 1, 4 and 5, as Petitioner's June 18, 2014 letter indicates, during the parties' meet-and-confer process, Respondent verbally clarified its responses to these Interrogatories. Brannen Decl., Ex. 9 at 3. Respondent agreed to supplement its written responses to reflect these clarifications and further responses. With respect to Requests for Production Nos. 28 and 31, as reflected in the June 18 letter, Respondent indicated that it had not come to a final decision on these requests. Accordingly, Respondent was expected, and obligated, to supplement such responses when it did finalize its position.

CONCLUSION

For the reasons set forth above, Petitioner respectfully requests that the Board deny Respondent's Motion for Partial Reconsideration in its entirety and: (1) again direct Respondent to comply promptly with its discovery obligations under the Discovery Order, or alternatively, preclude Respondent from relying on any such documents or related information in connection with defense of this proceeding and make an adverse inference regarding same; and (2) reschedule the parties' trial disclosures and trial testimony periods for the earliest possible dates.

Pursuant to TBMP § 510.03(a), Petitioner submits that this proceeding should be suspended once more pending disposition of this Motion and of Petitioner's Further Motion to Compel Discovery (Docket No. 31).

Dated: December 19, 2014 Respectfully submitted,

WILSON SONSINI GOODRICH & ROSATI Professional Corporation

Bv:

John L. Slafsky Luke A. Liss

Stephanie S. Brannen

Wilson Sonsini Goodrich & Rosati

650 Page Mill Road

Palo Alto, California 94304-1050

Tel: (650) 493-9300 Fax: (650) 493-6811 trademarks@wsgr.com

Attorneys for Petitioner AUTODESK, INC

CERTIFICATE OF SERVICE BY MAIL

I, Elvira Minjarez, declare:

I am employed in Santa Clara County. I am over the age of 18 years and not a party to the within action. My business address is Wilson Sonsini Goodrich & Rosati, 650 Page Mill Road, Palo Alto, California, 94304-1050.

I am readily familiar with Wilson Sonsini Goodrich & Rosati's practice for collection and processing of correspondence with the United States Postal Service. In the ordinary course of business, correspondence would be deposited with the United States Postal Service on this date.

On this date, I caused to be personally served:

PETITIONER'S OPPOSITION TO RESPONDENT'S MOTION FOR RECONSIDERATION

on the person(s) listed below by placing the document(s) described above in an envelope addressed as indicated below, which I sealed. I placed the envelope(s) for collection and mailing with the United States Postal Service on this day, following ordinary business practices at Wilson Sonsini Goodrich & Rosati.

Jason M. Sneed SNEED PLLC 610 Jetton St., Suite 120-107 Davidson, North Carolina 28036

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Palo Alto, California on December 19, 2014.